



Jaguar Land Rover Automotive plc Interim Report

For the three-month period ended
30 June 2025

Company registered number: 06477691

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Group, Company, Jaguar Land Rover, JLR plc and JLR refers to Jaguar Land Rover Automotive plc and its subsidiaries. Note 2 to the condensed consolidated interim financial statements defines a series of alternative performance measures some of which are stated below, along with certain abbreviations.

Adjusted EBITDA margin	measured as adjusted EBITDA as a percentage of revenue.
Adjusted EBIT margin	measured as adjusted EBIT as a percentage of revenue.
Net (debt)/cash	defined by the Company as cash and cash equivalents plus short-term deposits and other investments less total balance sheet borrowings including lease liabilities.
Capital employed	defined as net assets excluding interest-bearing borrowings and lease liabilities.
Return on capital employed (ROCE)	defined as EBIT for the last 12 months divided by the average capital employed over the same period.
PBT (bei)	Profit Before Tax (before exceptional items)
Q1 FY26	three-month period ended 30 June 2025
Q4 FY25	three-month period ended 31 March 2025
Q1 FY25	three-month period ended 30 June 2024
China Joint Venture	Chery Jaguar Land Rover Automotive Co., Ltd.

Management’s discussion and analysis of financial condition and results of operations

Revenue was £6.6 billion in Q1 FY26, down 9% year-on-year from Q1 FY25. The decrease in revenue in comparison to the prior year reflects the challenging first quarter of FY26. Wholesale volumes (excluding China Joint Venture) of 87,286 were down 11% year-on-year and down 22% on the prior quarter. The overall mix of the most profitable Range Rover, Range Rover Sport and Defender models was 77% of total wholesale volumes.

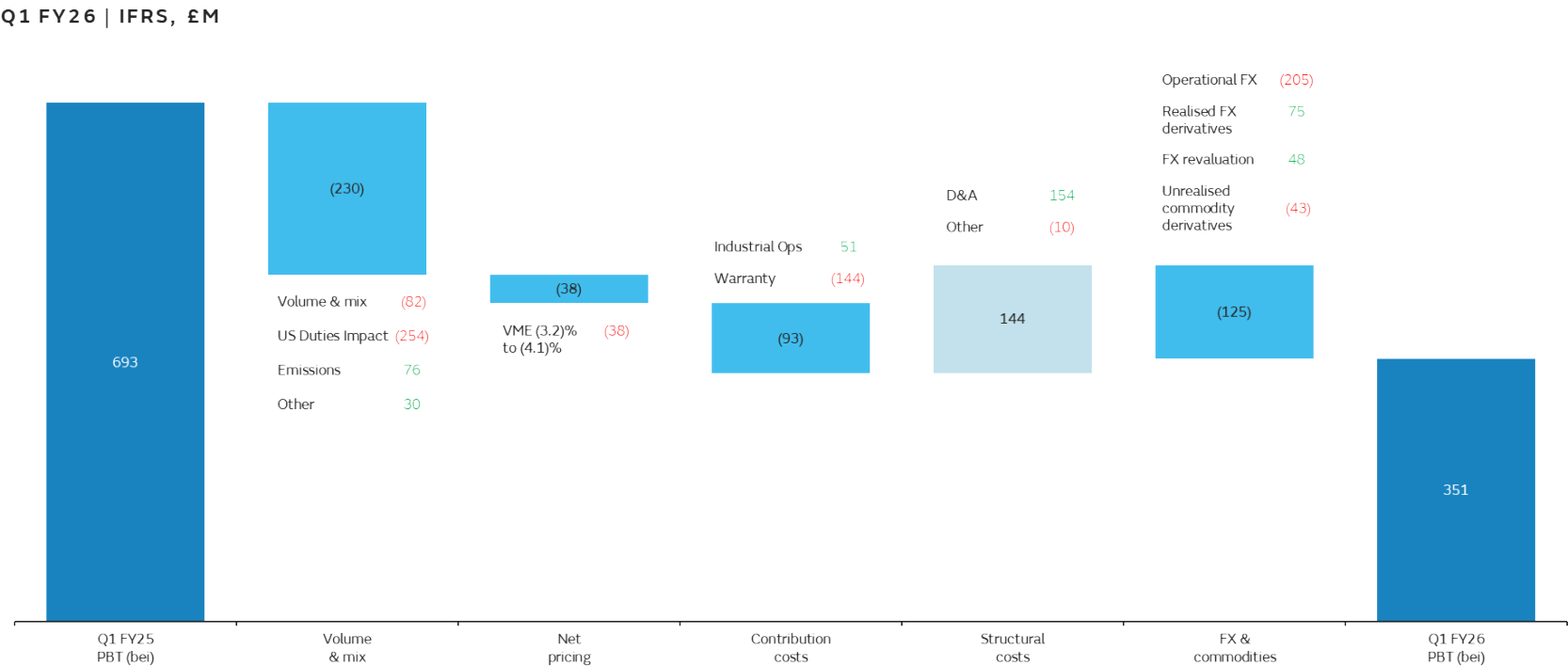
Market environment and business developments

- JLR delivered an 11th successive profitable quarter amid challenging global economic conditions.
- Volumes reduced, in line with the company’s expectations, following a challenging quarter. This largely reflects the planned wind down of legacy Jaguar models ahead of the launch of new Jaguar, and a pause in shipments to the United States of America during April 2025 following the introduction of US import tariffs.
- The quarterly results reflect the financial impact of an incremental 25%¹ tariff imposed on the importation of vehicles and parts into the United States of America, effective from 3 April 2025. The effect of this regulatory change resulted in incremental costs of £254 million. Subsequently, on 8 May 2025, a further announcement introduced a provision allowing for the first 100,000 UK-manufactured vehicles imported annually into the United States of America to be subject to a reduced total tariff of 10%. On 27 July 2025, an EU-US trade deal was announced which will, in due course, reduce tariffs on EU-produced vehicles exported to the United States of America from 27.5% to 15%.
- These costs were partially mitigated by revised estimates of emissions compliance obligations, which were favourably adjusted in response to evolving regulatory and market conditions particularly within the United States of America, yielding a year-over-year net benefit of £76 million.
- GBP has appreciated over the quarter, with the GBP strengthening vs USD by 5.7%.
- Range Rover SV Masāra and SV Saturio launched in India and Mexico respectively, and global launches of Range Rover and Range Rover Sport Black Editions.
- Defender launched the Black Edition, Defender Trophy competition with Trophy vehicle, and appointed global partner for the Oasis Live ‘25 Tour.
- Discovery launched Tempest and Gemini editions, alongside the Landmark and Metropolitan editions for Discovery Sport.
- Jaguar Type 00 debuted at Goodwood, Tokyo and Monaco following reveals in Paris and Miami.

Revenue and profits, quarter ending 30 June 2025

- Revenue was £6.6 billion in Q1 FY26, down 9% from Q1 FY25.
- Adjusted EBITDA² was £616 million (EBITDA margin: 9.3%) in Q1 FY26, down from £1,149 million (EBITDA margin: 15.8%) in Q1 FY25.
- Adjusted EBIT² was £265 million (EBIT margin: 4%) in Q1 FY26, down from £645 million (EBIT margin: 8.9%) in Q1 FY25.
- The profit before tax and exceptional items was £351 million in Q1 FY26 down from £693 million in Q1 FY25. The decrease in profitability year-on-year reflects the increase in US import tariffs and net adverse FX movements in the period, partially offset by US CAFE (Corporate Average Fuel Economy) release, with the penalty being reduced to nil for 24 model year vehicles onwards.
- Profit after tax was £248 million (after a tax charge of £99 million) in Q1 FY26, a reduction from a profit of £502 million in Q1 FY25 including a tax charge of £199 million.

YoY Profit Walk

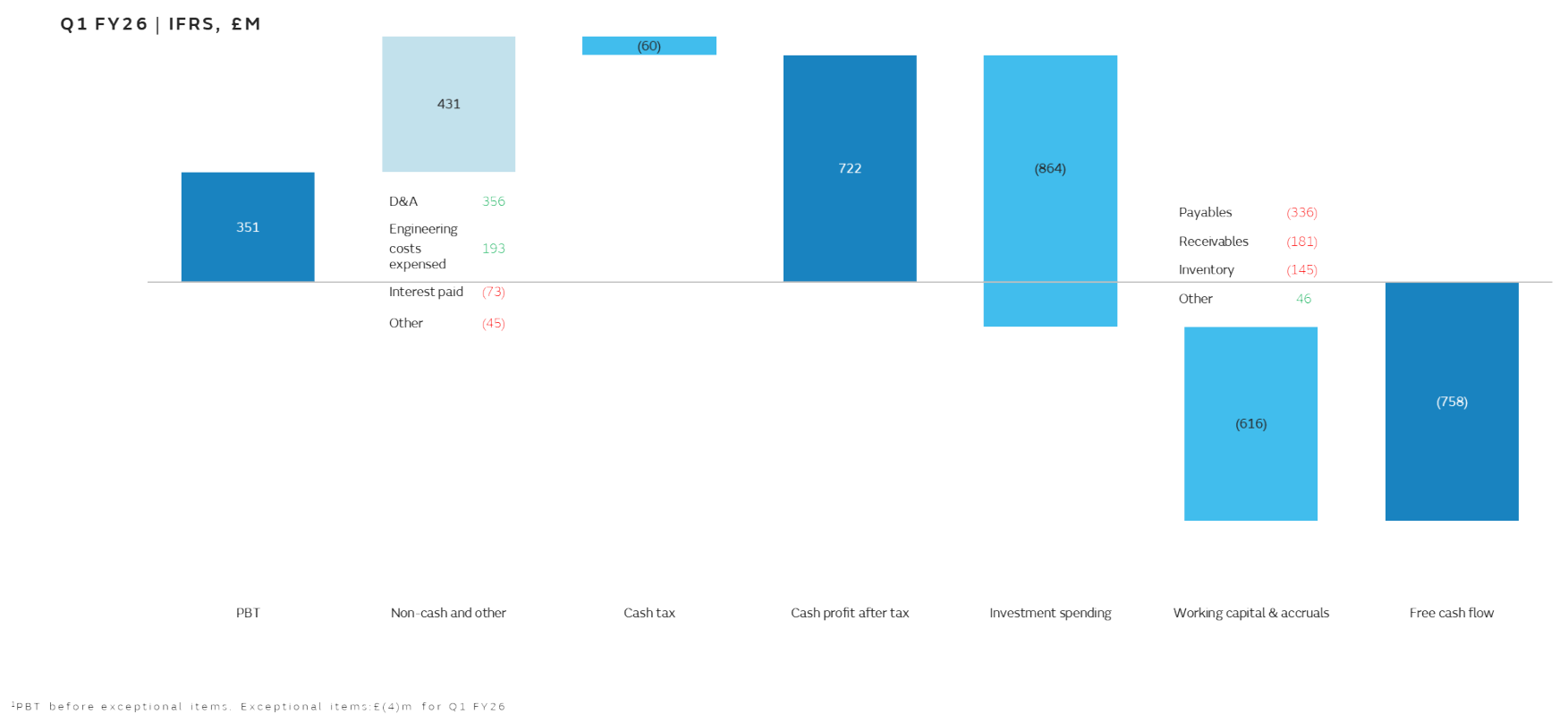


¹ New US tariffs of 25% were applied to UK- and EU-produced vehicles exported to the United States of America in the accounting period Q1 FY26. These 25% tariffs were additional to the existing tariffs the United States of America charged on imports of car and car parts, known as the United States of America’s most-favoured nation tariff, at 2.5%. This meant that the new base rate tariff on UK- and EU- produced vehicles exported to the United States of America in the period was 27.5%.

² Please see note 2 of the financial statements for alternative performance measures.

Cash flow

- Free cash flow¹ was £(758) million in Q1 FY26 compared to free cash flow of £230 million in Q1 FY25.
- Working capital movements in the quarter were £(616) million (vs £(117) million in Q1 FY25) with decreases in payables £(336) million, receivables £(181) million and inventory £(145) million, offset slightly by £46 million of other since 31 March 2025.
- Investment spend of £864 million in the quarter was down from £951 million in Q1 FY25 and includes £636 million of engineering spend, of which 74% was capitalised, and £228 million of capital investments.

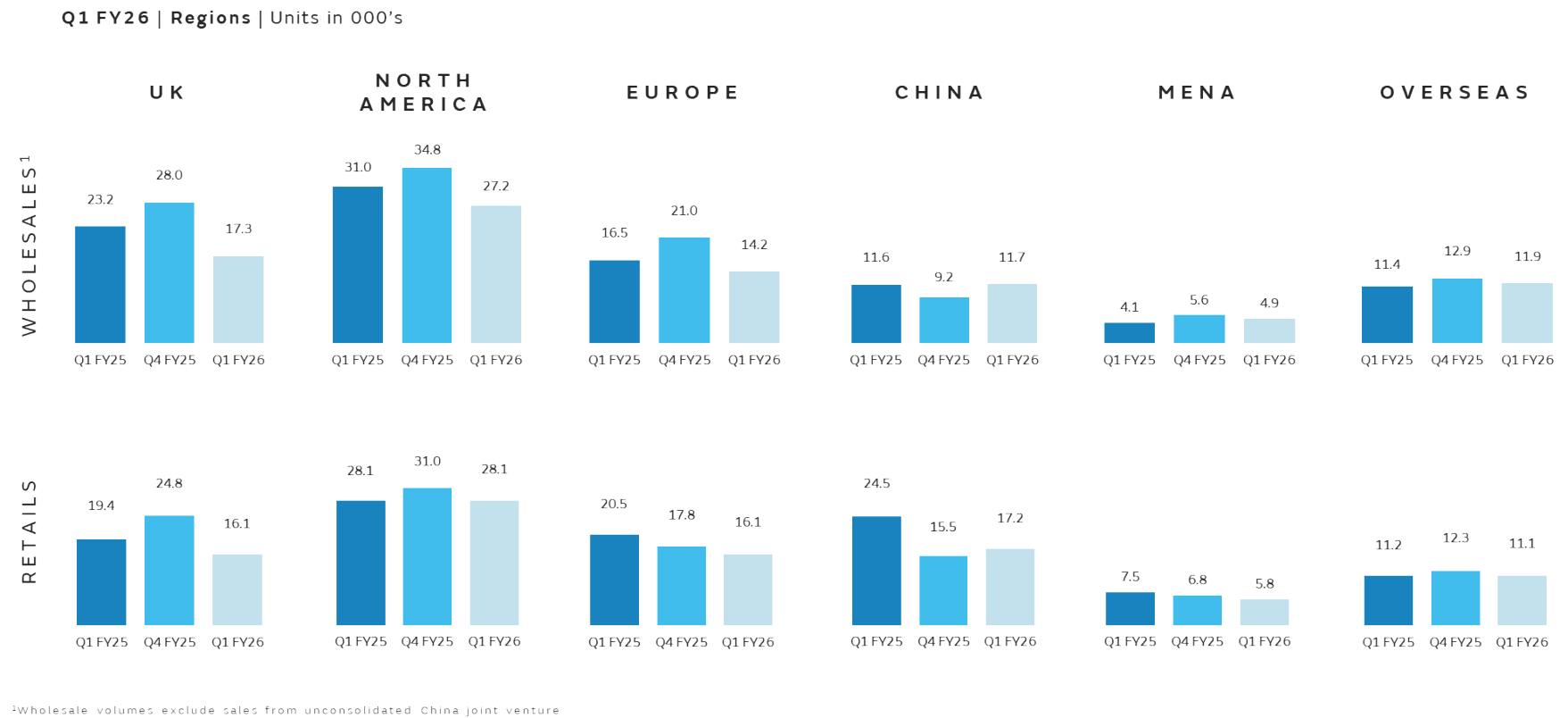
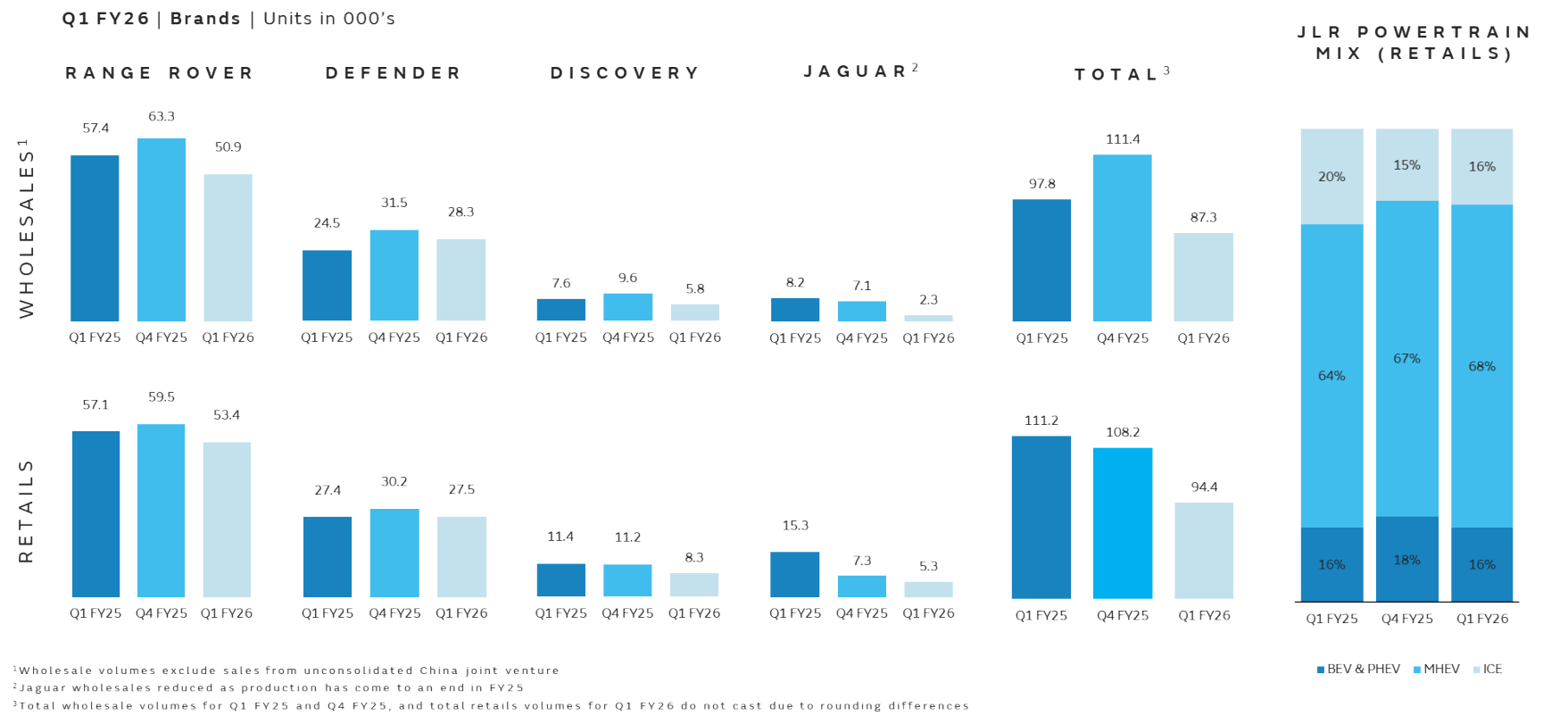


¹ Please see note 2 of the financial statements for alternative performance measures.

Sales volumes

Retail sales¹ in Q1 FY26 were 94,420 units, down 15% compared to the same quarter a year ago and down 13% from the prior quarter ended 31 March 2025.

Wholesale volumes in Q1 FY26 were 87,286 units in the period (excluding our China Joint Venture), down 11% compared to Q1 FY25 and down 22% compared to the quarter ended 31 March 2025.



¹ Retail sales represent vehicle sales made by dealers to end customers. Please see note 2 of the financial statements for definition of alternative performance measures.

Funding and liquidity

Total cash and cash equivalents, deposits and investments at 30 June 2025 were £3,318 million (31 March 2025: £4,634 million) comprising £3,318 million of cash and cash equivalents and £nil of short-term deposits and other investments. The cash and financial deposits include an amount of £361 million held in subsidiaries of Jaguar Land Rover outside of the UK. The cash in some of these jurisdictions may be subject to impediments to remitting cash to the UK other than through annual dividends.

The following table shows details of the Company’s financing arrangements at 30 June 2025:

£ millions	Facility amount	Amount outstanding	Undrawn amount
\$700m 7.750% Senior Notes due Oct 2025	511	511	-
€500m 4.500% Senior Notes due Jan 2026	428	428	-
€500m 6.875% Senior Notes due Nov 2026	255	255	-
\$500m 4.500% Senior Notes due Oct 2027	365	365	-
\$650m 5.875% Senior Notes due Jan 2028	404	404	-
€500m 4.500% Senior Notes due Jul 2028	428	428	-
\$500m 5.500% Senior Notes due Jul 2029	298	298	-
\$650m Syndicated Loan due Jan 2029	474	474	-
UKEF amortising loan due Dec 2026	188	188	-
China loan due Dec 2025	305	305	-
Subtotal	3,656	3,656	-
Lease obligations	671	671	-
Other	38	38	-
Prepaid costs	(14)	(14)	-
Fair value adjustments ¹	(129)	(129)	-
Total	4,222	4,222	-
Undrawn RCF ²	1,660	-	1,660
Total	5,882	4,222	1,660

¹Fair value adjustments relate to hedging arrangements for the €500m 2026 Notes and \$500m 2027 Notes

²Undrawn Revolving Credit Facility increased to £1,660m in February 2025.

Risks and mitigating factors

There are a number of potential risks which could have a material impact on the Group’s performance and could cause actual results to differ materially from expected and/or historical results, discussed on pages 71-73 of the FY25 Annual Report of the Group (available at <https://www.jaguarlandrover.com/annual-report-2025>) along with mitigating factors. The principal risks discussed in the Group’s FY25 Annual Report are competitive business efficiency, global economic and geopolitical environment, brand positioning, rapid technology change, electrification transition, supply chain disruptions, information security, client service delivery, people capability and capacity, data management, IT infrastructure, environmental regulations and compliance and litigation/regulatory.

Off-balance sheet financial arrangements

At 30 June 2025, Jaguar Land Rover Limited (a subsidiary of the Company) sold £304 million equivalent of receivables under a \$900 million invoice discounting facility signed in September 2024.

Personnel

At 30 June 2025, Jaguar Land Rover employed 44,663 people worldwide, including agency personnel, compared to 43,659 at 30 June 2024.

Board of directors

The following table provides information with respect to the members of the Board of Directors of Jaguar Land Rover Automotive plc as at 30 June 2025:

Name	Position	Year appointed
Natarajan Chandrasekaran	Chairman and Director	2017
Adrian Mardell	Chief Executive Officer and Director	2022
Prof Sir Ralf D Speth	Vice Chairman and Director	2010
Mr P B Balaji	Director	2017
Hanne Sorensen	Director	2018
Charles Nichols	Director	2022
Al-Noor Ramji	Director	2022

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Income Statement

£ millions	Note	Three months ended	
		30 June 2025	30 June 2024
Revenue	3	6,604	7,273
Material and other cost of sales*	4	(4,096)	(4,228)
Employee costs*	4	(847)	(848)
Other expenses*	4,9	(1,506)	(1,570)
Exceptional items	4	(4)	8
Engineering costs capitalised	5	443	449
Other income	6	79	90
Depreciation and amortisation		(356)	(510)
Foreign exchange gain and fair value adjustments	7	35	74
Finance income	8	30	44
Finance expense (net)	8	(40)	(87)
Share of profit of equity accounted investments		5	6
Profit before tax		347	701
Income tax expense	17	(99)	(199)
Profit for the period		248	502

*Material and other cost of sales', 'Employee costs' and 'Other expenses' exclude the exceptional items explained in note 4.

The notes on pages 14 to 31 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Comprehensive Income and Expense

£ millions	Three months ended	
	30 June 2025	30 June 2024
Profit for the period	248	502
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of net defined benefit obligation	(80)	(62)
Income tax related to items that will not be reclassified	20	16
	(60)	(46)
Items that may be reclassified subsequently to profit or loss:		
Gain on cash flow hedges (net)	863	46
Currency translation differences	(1)	(11)
Income tax related to items that may be reclassified	(216)	(11)
	646	24
Other comprehensive income/(expense) net of tax	586	(22)
Total comprehensive income attributable to shareholders	834	480

The notes on pages 14 to 31 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Balance Sheet

As at (£ millions)	Note	30 June 2025	31 March 2025	30 June 2024
Non-current assets				
Investments in equity accounted investees		307	310	330
Other non-current investments		54	55	54
Other financial assets	14	974	520	386
Property, plant and equipment	11	6,005	5,919	5,728
Intangible assets	12	7,054	6,697	5,719
Right-of-use assets	13	583	580	617
Pension asset	25	239	313	242
Other non-current assets	16	245	192	212
Deferred tax assets		586	797	1,058
Total non-current assets		16,047	15,383	14,346
Current assets				
Cash and cash equivalents		3,318	4,611	3,714
Short-term deposits and other investments		-	23	103
Trade receivables		950	922	925
Other financial assets	14	979	752	594
Inventories	15	3,759	3,628	3,951
Other current assets	16	805	707	818
Current tax assets		4	24	5
Assets classified as held for sale		46	46	105
Total current assets		9,861	10,713	10,215
Total assets		25,908	26,096	24,561
Current liabilities				
Accounts payable		6,646	7,148	6,885
Short-term borrowings	21	1,252	1,286	1,221
Other financial liabilities	18	741	796	896
Provisions	19	1,216	1,186	958
Other current liabilities	20	789	649	866
Current tax liabilities		165	171	146
Liabilities directly associated with assets classified as held for sale		-	-	48
Total current liabilities		10,809	11,236	11,020
Non-current liabilities				
Long-term borrowings	21	2,299	2,399	2,890
Other financial liabilities	18	606	658	762
Provisions	19	1,576	1,596	1,384
Retirement benefit obligation	25	23	22	22
Other non-current liabilities	20	1,165	1,140	1,016
Deferred tax liabilities		99	101	93
Total non-current liabilities		5,768	5,916	6,167
Total liabilities		16,577	17,152	17,187
Equity attributable to shareholders				
Ordinary share capital		1,501	1,501	1,501
Capital redemption reserve		167	167	167
Other reserves	23	7,663	7,276	5,706
Equity attributable to shareholders		9,331	8,944	7,374
Total liabilities and equity		25,908	26,096	24,561

The notes on pages 14 to 31 are an integral part of these condensed consolidated financial statements.

These condensed consolidated interim financial statements were approved by the JLR plc Board and authorised for issue on 8 August 2025.

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Condensed Consolidated Statement of Changes in Equity

£ millions	Ordinary share capital	Capital redemption reserve	Other reserves	Total equity
Balance at 1 April 2025	1,501	167	7,276	8,944
Profit for the period	-	-	248	248
Other comprehensive income for the period	-	-	586	586
Total comprehensive income	-	-	834	834
Amounts removed from hedge reserve and recognised in inventory	-	-	1	1
Dividends paid	-	-	(448)	(448)
Balance at 30 June 2025	1,501	167	7,663	9,331

£ millions	Ordinary share capital	Capital redemption reserve	Other reserves	Total equity
Balance at 1 April 2024	1,501	167	5,611	7,279
Profit for the period	-	-	502	502
Other comprehensive expense for the period	-	-	(22)	(22)
Total comprehensive income	-	-	480	480
Amounts removed from hedge reserve and recognised in inventory	-	-	2	2
Dividends paid	-	-	(387)	(387)
Balance at 30 June 2024	1,501	167	5,706	7,374

The notes on pages 14 to 31 are an integral part of these condensed consolidated financial statements

Condensed Consolidated Cash Flow Statement

£ millions	Note	Three months ended	
		30 June 2025	30 June 2024
Cash flows from operating activities			
Cash generated from operations	28	6	1,037
Income tax paid		(60)	(65)
Net cash (used in)/generated from operating activities		(54)	972
Cash flows from investing activities			
Purchases of other investments		(2)	(2)
Investment in other restricted deposits		(8)	(4)
Redemption of other restricted deposits		13	12
Movements in other restricted deposits		5	8
Redemption of short-term deposits and other investments		23	-
Movements in short-term deposits and other investments		23	-
Purchases of property, plant and equipment		(216)	(257)
Proceeds from sale of fixed assets and assets held for sale		2	37
Cash outflow relating to intangible asset expenditure		(453)	(463)
Acquisition of subsidiary (net of cash acquired)		-	(60)
Finance income received		34	45
Dividends received		2	2
Net cash used in investing activities		(605)	(690)
Cash flows from financing activities			
Finance expenses and fees paid		(73)	(106)
Repayment of borrowings		(31)	(63)
Payments of lease obligations		(23)	(19)
Dividends paid		(448)	(387)
Net cash used in financing activities		(575)	(575)
Net decrease in cash and cash equivalents		(1,234)	(293)
Cash and cash equivalents at beginning of period		4,611	4,051
Cash and cash equivalents reclassified as held for sale		-	(22)
Effect of foreign exchange on cash and cash equivalents		(59)	(22)
Cash and cash equivalents at end of period		3,318	3,714

The notes on pages 14 to 31 are an integral part of these condensed consolidated financial statements.

1 Accounting policies

Basis of preparation

The financial information in these interim financial statements is unaudited and does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The condensed consolidated interim financial statements of Jaguar Land Rover Automotive plc have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' in accordance with the requirements of UK-adopted international accounting standards. The balance sheet and accompanying notes as at 30 June 2024 have been disclosed solely for the information of the users.

The comparative figures for the financial year ended 31 March 2025 are not the Company's statutory accounts for that financial year but are derived from those accounts. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments held at fair value as highlighted in note 22.

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2025, which were prepared in accordance with UK-adopted international accounting standards.

The condensed consolidated interim financial statements have been prepared on the going concern basis as set out within the directors' report of the Group's Annual Report for the year ended 31 March 2025.

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 March 2025, as described in those financial statements.

Estimates and judgements

The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant estimates include retirement benefit obligation and product warranty. For further information on significant judgements and estimates refer to the consolidated financial statements for the year ended 31 March 2025 and note 19 of this report.

Going concern

The condensed consolidated interim financial statements have been prepared on a going concern basis, which the Directors consider appropriate for the reasons set out below.

The Directors have assessed the financial position of the Group as at 30 June 2025, and the projected cash flows of the Group for the twelve-month period from the date of authorisation of the condensed consolidated interim financial statements (the 'going concern assessment period').

The Group has available liquidity of £5 billion at 30 June 2025, £3.3 billion of which is cash, with the remainder the undrawn RCF facility. Within the going concern assessment period there is a £1 billion minimum quarter-end liquidity covenant attached to the Group's UKEF loans and forward start RCF facility. There is £1.4 billion of maturing debt in the going concern assessment period and no new funding is assumed, other than confirmed new funding disclosed within note 30. Net debt increased by £1.2 billion in the quarter ended 30 June 2025. The Group will continue to monitor and take action to reduce net debt in the future. Further details of the Group's available financing facilities and the maturity of facilities are described in note 21.

The Group has assessed its projected cash flows over the going concern assessment period. This base case uses the most recent Board-approved forecasts that include the going concern assessment period and include the forecast impact that the changes made to US tariffs will have on the Group.

The Group has carried out a reverse stress test against the base case to determine the decline in wholesale volumes over a twelve-month period that would result in a liquidity level that breaches the £1 billion liquidity financing covenant. The reverse stress test models an appropriate assumption in reduction in demand across the Group's product portfolio as the primary risk on wholesale volumes is deemed to be more likely to arise from demand rather than supply.

In order to reach a liquidity level that breaches covenants, it would require a significant sustained decline in wholesale volumes compared to the base case over a twelve-month period. The reverse stress test reflects the variable profit impact of the wholesale volume decline, and assumes all other assumptions are held in line with the base case. It does not reflect other potential upside measures that could be taken in such a reduced volume scenario; nor any new funding.

The Group does not consider this scenario to be plausible given that the stress test volumes are significantly lower than forecast. The Group has a strong order bank and is confident that it can significantly exceed reverse stress test volumes.

The Group has also considered the impact of severe but plausible downside scenarios, including scenarios that reflect a decrease in variable profit per unit compared with the base case to include additional increases in material and other related production costs. Under all scenarios the Group has sufficient headroom.

The Directors, after making appropriate enquiries and taking into consideration the risks and uncertainties facing the Group, consider that the Group has adequate financial resources to continue operating throughout the going concern assessment period, meeting its liabilities as they fall due. Accordingly, the Directors continue to adopt the going concern basis in preparing these consolidated financial statements.

2 Alternative performance measures

In reporting financial information, the Group presents alternative performance measures ('APMs') that are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business.

The APMs used by the Group are defined below:

Alternative performance measure	Definition
Adjusted EBITDA	Adjusted EBITDA is defined as profit/(loss) before: income tax expense; exceptional items; finance expense (net of capitalised interest) and finance income; gains/losses on debt and unrealised derivatives, realised derivatives entered into for the purpose of hedging debt, and equity or debt investments held at fair value; foreign exchange gains/losses on other assets and liabilities, including short-term deposits and cash and cash equivalents; share of profit/(loss) from equity accounted investments; depreciation and amortisation.
Adjusted EBIT	Adjusted EBIT is defined as for adjusted EBITDA but including share of profit/(loss) from equity accounted investments, depreciation and amortisation.
Return on capital employed ('ROCE')	ROCE is defined as EBIT for the last twelve months divided by the average capital employed over the same period. Capital employed is defined as net assets excluding interest-bearing borrowings and lease liabilities.
Profit before tax and exceptional items	Profit/(loss) before tax excluding exceptional items.
Free cash flow	Net cash generated from operating activities less net cash used in automotive investing activities, excluding investments in joint ventures, associates and subsidiaries and movements in financial investments, and after finance expenses and fees paid. Financial investments are those reported as cash and cash equivalents, short-term deposits and other investments, and equity or debt investments held at fair value.
Total product and other investment	Cash used in the purchase of property, plant and equipment, intangible assets, investments in equity accounted investments and other trading investments, acquisition of subsidiaries and expensed research and development costs.
Working capital and accruals	Changes in assets and liabilities as presented in note 28. This comprises movements in assets and liabilities excluding movements relating to financing or investing cash flows or non-cash items that are not included in adjusted EBIT or adjusted EBITDA.
Total cash and cash equivalents, deposits and investments	Defined as cash and cash equivalents, short-term deposits and other investments, marketable securities and any other items defined as cash and cash equivalents in accordance with IFRS.
Available liquidity	Defined as total cash and cash equivalents, deposits and investments plus committed undrawn credit facilities.
Net (debt)/cash	Total cash and cash equivalents, deposits and investments less total interest-bearing loans and borrowings.
Retail sales	Jaguar Land Rover retail sales represent vehicle sales made by dealers to end customers and include the sale of vehicles produced by our Chinese joint venture, Chery Jaguar Land Rover Automotive Company Ltd.
Wholesales	Wholesales represent vehicle sales made to retailers or other external clients. The Group recognises revenue on wholesales.

The Group uses adjusted EBITDA as an APM to review and measure the underlying profitability of the Group on an ongoing basis for comparability as it recognises that increased capital expenditure year-on-year will lead to a corresponding increase in depreciation and amortisation expense recognised within the consolidated income statement.

The Group uses adjusted EBIT as an APM to review and measure the underlying profitability of the Group on an ongoing basis as this excludes volatility on unrealised foreign exchange transactions. Due to the significant level of debt and currency derivatives held, unrealised foreign exchange distorts the financial performance of the Group from one period to another.

The Group uses ROCE to assess the efficiency in allocating capital to profitable investments.

Free cash flow is considered by the Group to be a key measure in assessing and understanding the total operating performance of the Group and to identify underlying trends.

Total product and other investment is considered by the Group to be a key measure in assessing cash invested in the development of future new models and infrastructure supporting the growth of the Group.

Working capital is considered by the Group to be a key measure in assessing short-term assets and liabilities that are expected to be converted into cash within the next twelve-month period; as well as over the longer term.

Total cash and cash equivalents, deposits and investments and available liquidity are measures used by the Group to assess liquidity and the availability of funds for future spend and investment.

Exceptional items are defined in note 4.

Reconciliations between these alternative performance measures and statutory reported measures are shown on the next pages.

2 Alternative performance measures (continued)

Adjusted EBIT and Adjusted EBITDA

£ millions	Note	Three months ended	
		30 June 2025	30 June 2024
Adjusted EBITDA		616	1,149
Depreciation and amortisation		(356)	(510)
Share of profit of equity accounted investments		5	6
Adjusted EBIT		265	645
Foreign exchange on debt, derivatives and balance sheet revaluation	28	80	32
Unrealised gain on commodities	28	19	59
Finance income	8	30	44
Finance expense (net)	8	(40)	(87)
Fair value loss on equity investments	28	(3)	-
Profit before tax and exceptional items		351	693
Exceptional items	4	(4)	8
Profit before tax		347	701

£ millions	Note	Three months ended	
		30 June 2025	30 June 2024
Adjusted EBIT		265	645
Revenue	3	6,604	7,273
Adjusted EBIT margin (%)		4.0%	8.9%

Return on capital employed

As at (£ millions)	Note	30 June 2025	31 March 2025	30 June 2024
Adjusted EBIT - last twelve months		2,091	2,471	2,518
Capital employed				
Net assets		9,331	8,944	7,374
Add: total interest-bearing loans and borrowings	21	4,222	4,356	4,818
Capital employed		13,553	13,300	12,192
Average capital employed		12,873	12,733	11,866
Return on capital employed (%)		16.2%	19.4%	21.2%

Free cash flow

£ millions	Three months ended	
	30 June 2025	30 June 2024
Net cash (used in)/generated from operating activities	(54)	972
Purchases of property, plant and equipment	(216)	(257)
Cash outflow relating to intangible asset expenditure	(453)	(463)
Proceeds from sale of fixed assets and assets held for sale	2	37
Dividends received	2	2
Finance expenses and fees paid	(73)	(106)
Finance income received	34	45
Free cash flow	(758)	230

Total product and other investments

£ millions	Note	Three months ended	
		30 June 2025	30 June 2024
Purchases of property, plant and equipment		216	257
Cash outflow relating to intangible asset expenditure		453	463
Engineering costs expensed	5	193	229
Purchases of other investments		2	2
Total product and other investments		864	951

Total cash and cash equivalents, deposits and investments

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Cash and cash equivalents	3,318	4,611	3,714
Short-term deposits and other investments	-	23	103
Total cash and cash equivalents, deposits and investments	3,318	4,634	3,817

2 Alternative performance measures (continued)

Available liquidity

As at (£ millions)	Note	30 June 2025	31 March 2025	30 June 2024
Cash and cash equivalents		3,318	4,611	3,714
Short-term deposits and other investments		-	23	103
Committed undrawn credit facilities	21	1,660	1,660	1,520
Available liquidity		4,978	6,294	5,337

Net (debt)/cash

As at (£ millions)	Note	30 June 2025	31 March 2025	30 June 2024
Cash and cash equivalents		3,318	4,611	3,714
Short-term deposits and other investments		-	23	103
Interest-bearing loans and borrowings	21	(4,222)	(4,356)	(4,818)
Net (debt)/cash		(904)	278	(1,001)

Retails and wholesales

Units	Three months ended	
	30 June 2025	30 June 2024
Retail sales	94,420	111,180
Wholesales	87,286	97,755

Retail sales include the sale of vehicles produced by our Chinese joint venture, Chery Jaguar Land Rover Automotive Company Ltd., as defined on page 15.

Included in wholesales are 72 vehicles (30 June 2024: nil vehicles) sold on sale and leaseback arrangements.

3 Revenue

£ millions	Three months ended	
	30 June 2025	30 June 2024
Revenue recognised for sales of vehicles, parts and accessories	6,185	6,920
Revenue recognised for services transferred	112	84
Revenue - other	194	252
Total revenue from contracts with clients	6,491	7,256
Realised revenue hedges	113	17
Total revenue	6,604	7,273

4 Exceptional items

The exceptional items recognised during the three-month period ended 30 June 2025 comprise:

- £(4) million in relation to separation payments made to employees.

There are tax charges of £nil and tax credits of £1 million arising from exceptional items.

The exceptional items recognised during the three-month period ended 30 June 2024 comprise:

- £10 million update to the exceptional item recognised during the years ended 31 March 2022 and 2021 in relation to the impact of the Group's Reimagine strategy;
- £(6) million in relation to transaction costs associated with the acquisition of a subsidiary; and
- £4 million update to the exceptional item recognised during the year ended 31 March 2022 in relation to customer liabilities arising from sanctions imposed against Russia.

The table below sets out the exceptional items recorded during the three-month period ended 30 June 2025 and 2024 and the impact on the condensed consolidated income statement if these items were not disclosed separately as exceptional items.

£ millions	Three months ended 30 June 2025		
	Other expenses	Employee costs	Material and other cost of sales
Excluding exceptional items	(1,506)	(847)	(4,096)*
Restructuring costs - employee and third party obligations	-	(4)	-
Including exceptional items	(1,506)	(851)	(4,096)

*Included within 'Material and other cost of sales excluding exceptional items' for the period ended 30 June 2025 is the financial impact of an incremental 25% tariff imposed on the importation of vehicles and parts into the United States of America, effective from 3 April 2025. The effect of these regulatory changes resulted in incremental costs of £254 million. Subsequently, on 8 May 2025, a further announcement introduced a provision allowing for the first 100,000 UK-manufactured vehicles imported annually into the United States of America to be subject to a reduced total tariff of 10%. On 27 July 2025, an EU-US trade deal was announced which will, in due course, reduce tariffs on EU-produced vehicles exported to the United States of America from 27.5% to 15%.

4 Exceptional items (continued)

£ millions	Three months ended 30 June 2024		
	Other expenses	Employee costs	Material and other cost of sales
Excluding exceptional items	(1,570)	(848)	(4,228)
Restructuring costs - employee and third party obligations	4	-	6
Other	(2)	-	-
Including exceptional items	(1,568)	(848)	(4,222)

5 Engineering costs capitalised

£ millions	Three months ended	
	30 June 2025	30 June 2024
Total engineering costs incurred	636	678
Engineering costs expensed	(193)	(229)
Engineering costs capitalised	443	449
Interest capitalised in relation to engineering costs	61	43
Total capitalised in property, plant and equipment and intangible assets	504	492

6 Other income

£ millions	Three months ended	
	30 June 2025	30 June 2024
Grant income	51	61
Commissions	9	5
Other	19	24
Total other income	79	90

7 Foreign exchange and fair value adjustments

£ millions	Three months ended	
	30 June 2025	30 June 2024
Foreign exchange and fair value adjustments on loans	36	29
Foreign exchange gain/(loss) on economic hedges of loans	13	(14)
Foreign exchange gain on derivatives	7	1
Other foreign exchange (loss)/gain	(27)	12
Realised loss on commodities	(10)	(13)
Unrealised gain on commodities	19	59
Fair value loss on equity investments	(3)	-
Total foreign exchange and fair value adjustments	35	74

8 Finance income and expense

£ millions	Three months ended	
	30 June 2025	30 June 2024
Finance income	30	44
Total finance income	30	44
Interest expense on lease liabilities	(13)	(14)
Total interest expense on financial liabilities measured at amortised cost other than lease liabilities measured at amortised cost	(63)	(90)
Interest expense on derivatives designated as a fair value hedge of financial liabilities	(6)	(7)
Unwind of discount on provisions	(19)	(20)
Interest capitalised	61	44
Total finance expense (net)	(40)	(87)

The capitalisation rate used to calculate borrowing costs eligible for capitalisation during the three-month period ended 30 June 2025 was 6.2% (three-month period ended 30 June 2024: 7.1%).

9 Other expenses

£ millions	Three months ended	
	30 June 2025	30 June 2024
Stores, spare parts and tools	30	34
Freight cost	167	168
Works, operations and other costs	676	857
Power and fuel	28	29
Product warranty	362	267
Publicity	243	215
Total other expenses	1,506	1,570

10 Allowances for trade and other receivables

As at (£ millions)	Three months ended	
	30 June 2025	30 June 2024
At beginning of period	5	6
Charged during the period	-	-
At end of period	5	6

11 Property, plant and equipment

£ millions	Land and buildings	Plant and equipment	Vehicles	IT equipment	Fixtures and fittings	Heritage vehicles	Under construction	Total
Cost								
Balance at 1 April 2025	2,840	10,152	11	200	128	14	1,408	14,753
Additions	-	-	-	8	-	-	243	251
Transfers	28	32	-	-	-	-	(60)	-
Disposals	(3)	(107)	-	(2)	(1)	-	-	(113)
Foreign currency translation	11	16	-	1	-	-	-	28
Balance at 30 June 2025	2,876	10,093	11	207	127	14	1,591	14,919
Depreciation and impairment								
Balance at 1 April 2025	947	7,637	11	141	91	7	-	8,834
Depreciation charge for the period	31	138	-	4	2	-	-	175
Disposals	(1)	(103)	-	(2)	(1)	-	-	(107)
Foreign currency translation	3	9	-	-	-	-	-	12
Balance at 30 June 2025	980	7,681	11	143	92	7	-	8,914
Net book value								
At 1 April 2025	1,893	2,515	-	59	37	7	1,408	5,919
At 30 June 2025	1,896	2,412	-	64	35	7	1,591	6,005

£ millions	Land and buildings	Plant and equipment	Vehicles	IT equipment	Fixtures and fittings	Heritage vehicles	Under construction	Total
Cost								
Balance at 1 April 2024	2,668	10,551	11	202	131	14	866	14,443
Additions	-	-	-	1	1	-	245	247
Transfers	1	3	-	-	-	-	(4)	-
Disposals	(1)	(118)	-	(2)	(1)	-	-	(122)
Transfers from right-of-use assets*	-	2	-	-	-	-	-	2
Assets classified as held for sale	(6)	-	-	-	(1)	-	-	(7)
Acquisition of subsidiary	1	17	-	-	-	-	-	18
Foreign currency translation	(7)	(8)	-	-	-	-	-	(15)
Balance at 30 June 2024	2,656	10,447	11	201	130	14	1,107	14,566
Depreciation and impairment								
Balance at 1 April 2024	834	7,646	11	132	89	7	-	8,719
Depreciation charge for the period	31	206	-	4	2	-	-	243
Disposals	-	(115)	-	(2)	(1)	-	-	(118)
Foreign currency translation	(2)	(4)	-	-	-	-	-	(6)
Balance at 30 June 2024	863	7,733	11	134	90	7	-	8,838
Net book value								
At 1 April 2024	1,834	2,905	-	70	42	7	866	5,724
At 30 June 2024	1,793	2,714	-	67	40	7	1,107	5,728

*Amounts with a net book value of £2 million (31 March 2024: £nil, 30 June 2023: £nil) were reclassified from right-of-use assets to property, plant and equipment at the cessation of the respective leases. The assets reclassified related to leases with purchase options for which the Group had been depreciating the assets over their expected economic lives.

As at (£ millions)	Goodwill	Software	Patents and technological know-how	Customer related	Intellectual property rights and other intangibles	Product development - completed	Product development - in progress	Total
Cost								
Balance at 1 April 2025	-	756	-	61	628	6,494	4,094	12,033
Additions - externally purchased	-	10	-	-	-	-	-	10
Additions - internally developed	-	-	-	-	-	-	504	504
Disposals	-	(19)	-	-	-	-	-	(19)
Foreign currency translation	-	1	-	-	-	-	-	1
Balance at 30 June 2025	-	748	-	61	628	6,494	4,598	12,529
Amortisation and impairment								
Balance at 1 April 2025	-	563	-	55	154	4,564	-	5,336
Amortisation charge for the period	-	19	-	-	-	137	-	156
Disposals	-	(18)	-	-	-	-	-	(18)
Foreign currency translation	-	1	-	-	-	-	-	1
Balance at 30 June 2025	-	565	-	55	154	4,701	-	5,475
Net book value								
At 1 April 2025	-	193	-	6	474	1,930	4,094	6,697
At 30 June 2025	-	183	-	6	474	1,793	4,598	7,054

As at (£ millions)	Goodwill	Software	Patents and technological know-how	Customer related	Intellectual property rights and other intangibles	Product development - completed	Product development - in progress	Total
Cost								
Balance at 1 April 2024	-	772	147	61	650	9,078	2,184	12,892
Additions - externally purchased	-	14	-	-	-	-	-	14
Additions - internally developed	-	-	-	-	-	-	492	492
Disposals	-	(19)	(147)	-	-	(1,786)	-	(1,952)
Acquisition of subsidiary	40	-	-	-	11	-	-	51
Balance at 30 June 2024	40	767	-	61	661	7,292	2,676	11,497
Amortisation and impairment								
Balance at 1 April 2024	-	579	147	53	175	6,532	-	7,486
Amortisation charge for the period	-	15	-	-	1	227	-	243
Disposals	-	(18)	(147)	-	-	(1,786)	-	(1,951)
Balance at 30 June 2024	-	576	-	53	176	4,973	-	5,778
Net book value								
At 1 April 2024	-	193	-	8	475	2,546	2,184	5,406
At 30 June 2024	40	191	-	8	485	2,319	2,676	5,719

On 20 June 2024, JLR completed the acquisition of a non-core subsidiary for cash consideration of £72 million resulting in initial goodwill of £40 million. Finalisation of fair value adjustments to the assets and liabilities in line with IFRS 3 Business Combinations resulted in net £nil adjustment to goodwill.

On 28 March 2025, JLR completed the disposal of a controlling stake in the same subsidiary resulting in the disposal of goodwill totalling £40 million.

13 Right-of-use assets

£ millions	Land and buildings	Plant and equipment	Vehicles	IT equipment	Fixtures and fittings	Other	Total
Cost							
Balance at 1 April 2025	789	105	17	28	6	3	948
Additions	5	14	3	2	-	-	24
Disposals	(2)	(2)	(1)	(1)	-	-	(6)
Foreign currency translation	-	(1)	-	-	-	-	(1)
Other	1	4	-	-	-	-	5
Balance at 30 June 2025	793	120	19	29	6	3	970
Depreciation							
Balance at 1 April 2025	296	48	6	14	1	3	368
Depreciation charge for the period	16	5	2	2	-	-	25
Disposals	(2)	(2)	(1)	(1)	-	-	(6)
Balance at 30 June 2025	310	51	7	15	1	3	387
Net book value							
At 1 April 2025	493	57	11	14	5	-	580
At 30 June 2025	483	69	12	14	5	-	583

£ millions	Land and buildings	Plant and equipment	Vehicles	IT equipment	Fixtures and fittings	Other	Total
Cost							
Balance at 1 April 2024	795	92	9	22	16	3	937
Additions	1	4	1	2	-	-	8
Disposals	(6)	(3)	(1)	(1)	-	-	(11)
Transfers to property, plant and equipment*	-	(6)	-	-	-	-	(6)
Acquisition of subsidiary	24	-	-	-	-	-	24
Other	1	-	-	-	-	-	1
Balance at 30 June 2024	815	87	9	23	16	3	953
Depreciation							
Balance at 1 April 2024	263	43	5	9	7	2	329
Depreciation charge for the period	17	4	1	2	-	-	24
Disposals	(6)	(3)	(1)	(1)	-	-	(11)
Transfers to property, plant and equipment*	-	(4)	-	-	-	-	(4)
Other	(2)	-	-	-	-	-	(2)
Balance at 30 June 2024	272	40	5	10	7	2	336
Net book value							
At 1 April 2024	532	49	4	13	9	1	608
At 30 June 2024	543	47	4	13	9	1	617

*Amounts with a net book value of £2 million (31 March 2024: £nil, 30 June 2023: £nil) were reclassified from right-of-use assets to property, plant and equipment at the cessation of the respective leases. The assets reclassified related to leases with purchase options for which the Group had been depreciating the assets over their expected economic lives.

14 Other financial assets

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Non-current			
Restricted cash	13	10	8
Derivative financial instruments	783	336	260
Warranty reimbursement and other receivables	77	70	55
Other	101	104	63
Total non-current other financial assets	974	520	386
Current			
Restricted cash	1	9	1
Derivative financial instruments	606	354	285
Warranty reimbursement and other receivables	237	251	122
Accrued income	26	29	57
Other	109	109	129
Total current other financial assets	979	752	594

15 Inventories

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Raw materials and consumables	167	157	156
Work-in-progress	537	492	562
Finished goods	3,054	2,974	3,231
Inventory basis adjustment	1	5	2
Total inventories	3,759	3,628	3,951

Inventories of finished goods include £460 million (31 March 2025: £458 million, 30 June 2024: £428 million) relating to vehicles sold to rental car companies, fleet clients and others with guaranteed repurchase arrangements.

During the three-month period ended 30 June 2025, the Group recorded an inventory write-down expense of £12 million (three-month period ended 30 June 2024: £6 million). The write-down is included in 'Material and other cost of sales'.

16 Other assets

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Non-current			
Prepaid expenses	175	173	146
Research and development expenditure credit	59	3	55
Other	11	16	11
Total non-current other assets	245	192	212
Current			
Recoverable VAT	232	156	237
Prepaid expenses	326	296	388
Research and development expenditure credit	229	231	178
Other	18	24	15
Total current other assets	805	707	818

17 Taxation

Recognised in the income statement

Income tax for the three-month period ended 30 June 2025 and 30 June 2024 is charged at the estimated effective tax rate expected to apply for the applicable financial year ends and adjusted for relevant deferred tax amounts where applicable.

A tax charge of £99 million was incurred in the three-month period ended 30 June 2025. In the three-month period ended 30 June 2024 a tax charge of £199 million was incurred. The effective tax rate of 29% reflects the mixture of corporate tax rates applied in the countries in which the Group operates.

18 Other financial liabilities

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Current			
Lease obligations	84	79	78
Interest accrued*	71	66	78
Derivative financial instruments	78	152	268
Liability for vehicles sold under a repurchase arrangement	508	499	472
Total current other financial liabilities	741	796	896
Non-current			
Lease obligations	587	592	629
Derivative financial instruments	18	65	132
Other	1	1	1
Total non-current other financial liabilities	606	658	762

*Relates mainly to interest accrued on Euro MTF listed debt, syndicated loan and UK Export Finance facility.

Included in the Liability for vehicles sold under a repurchase arrangement balance is £337 million (31 March 2025: £341 million, 30 June 2024: £296 million) related to vehicles for the management car scheme. Participants in the scheme make payments through deductions from salary.

19 Provisions

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Current			
Product warranty	857	857	707
Emissions compliance	180	138	51
Third party claims and obligations	138	154	171
Other provisions	41	37	29
Total current provisions	1,216	1,186	958
Non-current			
Product warranty	1,486	1,405	1,202
Emissions compliance	44	147	125
Other provisions	46	44	57
Total non-current provisions	1,576	1,596	1,384

£ millions	Product warranty	Emissions compliance	Third party claims and obligations	Other provisions	Total
Balance at 1 April 2025	2,262	285	154	81	2,782
Provisions made during the period	355	73	50	9	487
Provisions used during the period	(290)	(4)	(42)	(3)	(339)
Unused amounts reversed in the period	(3)	(130)	(23)	-	(156)
Impact of unwind of discounting	19	-	-	-	19
Foreign currency translation	-	-	(1)	-	(1)
Balance at 30 June 2025	2,343	224	138	87	2,792

Product warranty

Information on the assumptions made in estimating the product warranty provision are included within the consolidated financial statements for the year ended 31 March 2025 and remain unchanged. Due to the uncertainty and potential volatility of the inputs to the assumptions, such as number of vehicles impacted and repair costs, it is reasonably possible that the actual cost over an extended period of time could be different to the estimate.

Emissions compliance

Estimates of emissions compliance obligations were favourably adjusted in response to evolving regulatory and market conditions particularly within the United States of America, resulting in £130 million of unused amounts reversed in the period.

20 Other liabilities

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Current			
Liabilities for advances received	53	74	108
Ongoing service obligations	337	368	347
VAT	90	93	102
Deferred grant income	42	42	69
Other taxes payable	265	69	228
Other	2	3	12
Total current other liabilities	789	649	866
Non-current			
Ongoing service obligations	625	635	637
Deferred grant income	533	498	375
Other	7	7	4
Total non-current other liabilities	1,165	1,140	1,016

21 Interest bearing loans and borrowings

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Short-term borrowings			
Bank Loans	305	319	2
Current portion of long-term EURO MTF listed debt	822	842	423
Current portion of long-term loans	125	125	796
Total short-term borrowings	1,252	1,286	1,221
Long-term borrowings			
Bank loans	530	589	187
EURO MTF listed debt	1,731	1,773	2,666
Other unsecured	38	37	37
Total long-term borrowings	2,299	2,399	2,890
Lease obligations	671	671	707
Total interest-bearing loans and borrowings	4,222	4,356	4,818

Undrawn facilities

As at 30 June 2025, the Group has a fully undrawn revolving credit facility of £1,038 million, with a maturity date of October 2029, and a fully undrawn revolving credit facility of £622 million, with a maturity date of October 2027, totaling £1,660 million (31 March 2025: £1,660 million, 30 June 2024: £1,520 million). This includes a covenant requiring the Group to maintain a minimum quarter-end liquidity of £1 billion.

22 Financial instruments

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments held at fair value. These financial instruments are classified as either level 2 fair value measurements, as defined by IFRS 13, being those derived from inputs other than quoted prices which are observable, or level 3 fair value measurements, being those derived from significant unobservable inputs. There have been no changes in the valuation techniques used or transfers between fair value levels from those set out in note 38 to the annual consolidated financial statements for the year ended 31 March 2025.

The tables below show the carrying amounts and fair value of each category of financial assets and liabilities.

As at 30 June 2025 (£ millions)	Fair value through profit and loss				Total carrying value	Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	3,318	-	-	-	3,318	3,318
Short-term deposits and other investments	-	-	-	-	-	-
Trade receivables	950	-	-	-	950	950
Other non-current investments	-	54	-	-	54	54
Other financial assets - current	373	-	28	578	979	979
Other financial assets - non-current	191	-	5	778	974	974
Total financial assets	4,832	54	33	1,356	6,275	6,275
Accounts payable	6,646	-	-	-	6,646	6,646
Short-term borrowings*	1,252	-	-	-	1,252	1,248
Long-term borrowings**	2,299	-	-	-	2,299	2,427
Other financial liabilities - current	663	-	36	42	741	741
Other financial liabilities - non-current	588	-	15	3	606	653
Total financial liabilities	11,448	-	51	45	11,544	11,715

*Included in short-term borrowings is £428 million that is designated as the hedged item in a fair value hedge relationship. Included within short-term borrowings is £(115) million of fair value adjustments which relate to the ongoing hedge relationships. Included in short-term borrowings is £511 million that is designated as a hedging instrument in a cash flow hedge relationship.

**Included in long-term borrowings is £(14) million of fair value adjustments of which relate to hedge relationships that have been discontinued. Included in the long-term borrowings is £1,067 million that is designated as a hedging instrument in a cash flow hedge relationship.

As at 31 March 2025 (£ millions)	Fair value through profit and loss				Total carrying value	Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	4,611	-	-	-	4,611	4,611
Short-term deposits and other investments	23	-	-	-	23	23
Trade receivables	922	-	-	-	922	922
Other non-current investments	-	55	-	-	55	55
Other financial assets - current	398	-	7	347	752	752
Other financial assets - non-current	184	-	2	334	520	520
Total financial assets	6,138	55	9	681	6,883	6,883
Accounts payable	7,148	-	-	-	7,148	7,148
Short-term borrowings*	1,286	-	-	-	1,286	1,403
Long-term borrowings**	2,399	-	-	-	2,399	2,415
Other financial liabilities - current	644	-	47	105	796	796
Other financial liabilities - non-current	593	-	21	44	658	718
Total financial liabilities	12,070	-	68	149	12,287	12,480

*Included in short-term borrowings is £418 million that is designated as the hedged item in a fair value hedge relationship. Included within short-term borrowings is £(114) million of fair value adjustments which relate to the ongoing hedge relationship. Included in short-term borrowings is £540 million that is designated as a hedging instrument in a cash flow hedge relationship.

**Included in long-term borrowings is £(15) million of fair value adjustments of which relate to hedge relationships that have been discounted. Included in long-term borrowings is £1,128 million that is designated as a hedging instrument in a cash flow hedge relationship.

As at 30 June 2024 (£ millions)	Fair value through profit and loss				Total carrying value	Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	3,714	-	-	-	3,714	3,714
Short-term deposits and other investments	103	-	-	-	103	103
Trade receivables	925	-	-	-	925	925
Other non-current investments	-	54	-	-	54	54
Other financial assets - current	309	-	72	213	594	594
Other financial assets - non-current	126	-	14	246	386	386
Total financial assets	5,177	54	86	459	5,776	5,776
Accounts payable	6,885	-	-	-	6,885	6,885
Short-term borrowings	1,221	-	-	-	1,221	1,223
Long-term borrowings*	2,890	-	-	-	2,890	3,008
Other financial liabilities - current	628	-	79	189	896	896
Other financial liabilities - non-current	630	-	35	97	762	823
Total financial liabilities	12,254	-	114	286	12,654	12,835

*Included in long-term borrowings is £423 million that is designated as the hedged item in a fair value hedge relationship. Included within long-term borrowings is £(133) million of fair value adjustments of which £(114) million relates to the ongoing hedge relationship and £(19) million relates to hedge relationships that were discontinued during the year ended 31 March 2023. Included in long-term borrowings is £949 million that is designated as a hedging instrument in a cash flow hedge relationship.

The following table shows the levels in the fair value hierarchy for financial assets and liabilities held at fair value and for financial liabilities that are not measured at fair value, where the carrying value is not a reasonable approximation of fair value:

As at 30 June 2025 (£ millions)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Other non-current investments	-	-	54	54
Derivative assets	-	1,389	-	1,389
Total	-	1,389	54	1,443
Financial liabilities measured at fair value				
Derivative liabilities	-	96	-	96
Total	-	96	-	96
Financial liabilities not measured at fair value				
Borrowings	2,671	1,005	-	3,676
Total	2,671	1,005	-	3,676

As at 31 March 2025 (£ millions)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Other non-current investments	-	-	55	55
Derivative assets	-	690	-	690
Total	-	690	55	745
Financial liabilities measured at fair value				
Derivative liabilities	-	217	-	217
Total	-	217	-	217
Financial liabilities not measured at fair value				
Borrowings	2,742	1,076	-	3,818
Total	2,742	1,076	-	3,818

As at 30 June 2024 (£ millions)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Other non-current investments	-	-	54	54
Derivative assets	-	545	-	545
Total	-	545	54	599
Financial liabilities measured at fair value				
Derivative liabilities	-	400	-	400
Total	-	400	-	400
Financial liabilities not measured at fair value				
Borrowings	3,206	1,025	-	4,231
Total	3,206	1,025	-	4,231

22 Financial instruments (continued)

Reconciliation of level 3 fair values

The following table gives a reconciliation of the movements in level 3 financial assets held at fair value:

£ millions	Three months ended	
	30 June 2025	30 June 2024
Balance at beginning of the period	55	52
Originated/purchased during the period	2	2
Fair value changes recognised in consolidated income statement	(3)	-
At end of period	54	54

23 Other reserves

The movement in reserves is as follows:

£ millions	Translation reserve	Hedging reserve	Cost of hedging reserve	Retained earnings	Total other reserves
Balance at 1 April 2025	(395)	460	(4)	7,215	7,276
Profit for the period	-	-	-	248	248
Remeasurement of defined benefit obligation	-	-	-	(80)	(80)
Gain on effective cash flow hedges	-	977	2	-	979
Income tax related to items recognised in other comprehensive income	-	(245)	-	20	(225)
Cash flow hedges reclassified to profit and loss	-	(115)	(1)	-	(116)
Income tax related to items reclassified to profit or loss	-	29	-	-	29
Amounts removed from hedge reserve and recognised in inventory	-	-	1	-	1
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	-	-	-
Foreign currency translation	(1)	-	-	-	(1)
Dividend	-	-	-	(448)	(448)
Balance at end 30 June 2025	(396)	1,106	(2)	6,955	7,663

£ millions	Translation reserve	Hedging reserve	Cost of hedging reserve	Retained earnings	Total other reserves
Balance at 1 April 2024	(367)	177	(6)	5,807	5,611
Profit for the period	-	-	-	502	502
Remeasurement of defined benefit obligation	-	-	-	(62)	(62)
Gain on effective cash flow hedges	-	127	(64)	-	63
Income tax related to items recognised in other comprehensive income	-	(32)	16	16	-
Cash flow hedges reclassified to profit and loss	-	(15)	(2)	-	(17)
Income tax related to items reclassified to profit or loss	-	4	1	-	5
Amounts removed from hedge reserve and recognised in inventory	-	1	1	-	2
Foreign currency translation	(11)	-	-	-	(11)
Dividends paid	-	-	-	(387)	(387)
Balance at end 30 June 2024	(378)	262	(54)	5,876	5,706

24 Dividends

In May 2025, the Company paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore).

25 Employee benefits

The Group has pension arrangements providing employees with defined benefits related to pay and service as set out in the rules of each scheme. The following tables set out disclosures pertaining to employee benefits of the Group which operates defined benefit pension schemes:

Change in present value of defined benefit obligation

£ millions	Three months ended	
	30 June 2025	30 June 2024
Defined benefit obligation at beginning of period	4,694	5,104
Current service cost	14	16
Interest expense	67	63
Actuarial (gains)/losses arising from:		
Changes in demographic assumptions	-	(48)
Changes in financial assumptions	24	(49)
Experience adjustments	27	18
Exchange differences on foreign schemes	(1)	(1)
Benefits paid	(59)	(53)
Defined benefit obligation at end of period	4,766	5,050

Change in fair value of schemes' assets

£ millions	Three months ended	
	30 June 2025	30 June 2024
Fair value of schemes' assets at beginning of period	4,985	5,382
Interest income	71	67
Remeasurement loss on the return of plan assets, excluding amounts included in interest income	(29)	(141)
Administrative expenses	(2)	(3)
Employer contributions	16	18
Benefits paid	(59)	(53)
Fair value of schemes' assets at end of period	4,982	5,270

The principal assumptions used in accounting for the pension schemes are set out below:

As at	30 June 2025	30 June 2024
Discount rate	5.7%	5.1%
Expected rate of increase in benefit revaluation of covered employees	1.9%	2.0%
RPI inflation	2.8%	3.0%
CPI Inflation rate (capped at 5% p.a.)	2.4%	2.6%
CPI Inflation rate (capped at 2.5% p.a.)	1.7%	1.8%

Amounts recognised in the condensed consolidated balance sheet consist of:

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Present value of defined benefit obligations	(4,766)	(4,694)	(5,050)
Fair value of schemes' assets	4,982	4,985	5,270
Net pension asset	216	291	220
Presented as non-current asset	239	313	242
Presented as non-current liability	(23)	(22)	(22)

For the valuations at 30 June 2025 the mortality assumptions used are the Self-Administered Pension Schemes ("SAPS") mortality base table, S3 tables ("Light" tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 97 per cent to 115 per cent have been used for male members and 102 per cent to 116 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 103 per cent to 112 per cent have been used for male members and 100 per cent to 115 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 92 per cent to 99 per cent have been used for male members and 92 per cent to 98 per cent have been used for female members.

25 Employee benefits (continued)

For the valuations at 31 March 2025 the mortality assumptions used were the SAPS mortality base table, S3 tables (“Light” tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 97 per cent to 115 per cent have been used for male members and 102 per cent to 116 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 103 per cent to 112 per cent have been used for male members and 100 per cent to 115 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 92 per cent to 99 per cent have been used for male members and 92 per cent to 98 per cent have been used for female members.

For the valuations at 30 June 2024 the mortality assumptions used were the SAPS mortality base table, S3 tables (“Light” tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 97 per cent to 115 per cent have been used for male members and 104 per cent to 116 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 109 per cent to 112 per cent have been used for male members and 100 per cent to 115 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 92 per cent to 99 per cent have been used for male members and 92 per cent to 97 per cent have been used for female members.

For the 30 June 2025 period end calculations there is an allowance for future improvements in line with the CMI (2023) projections with a long-term rate of improvement of 1.25 per cent per annum and a smoothing parameter of 7.0 (31 March 2025: CMI (2022) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.0, 30 June 2024: CMI (2022) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.0).

26 Commitments and contingencies

The following includes a description of contingencies and commitments. The Group assesses such commitments and claims as well as monitors the legal environment on an ongoing basis, with the assistance of external legal counsel wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in the financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability unless the loss becomes probable. Such potential losses may be of uncertain timing and/or amounts.

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Contingencies:			
- Third party claims and obligations	257	199	414
- Taxes and duties	69	64	50
Commitments:			
- Plant and equipment	953	873	739
- Intangible assets	21	18	22
Pledged as collateral/security against the borrowings and commitments:			
- Other financial assets	11	8	28

Contingencies

Contingencies relate to legal and constructive obligations to third parties. There are claims and obligations against the Group which management has not recognised, as settlement is not considered probable. These claims and obligations relate primarily to the following:

- Third party claims and obligations (primarily supplier claims)
- Taxes and duties

The supplier claims trend has remained consistent throughout the financial year.

There have been no material changes to regulatory, litigation and competition matters disclosed in the Group's Interim Report for the three-month period ended 30 June 2025.

Commitments

The Group has entered into various contracts with vendors and contractors for the acquisition of plant and equipment and intangible assets.

Joint venture

Stipulated within the joint venture agreement for Chery Jaguar Land Rover Automotive Company Ltd., and subsequently amended by a change to the Articles of Association of Chery Jaguar Land Rover Automotive Company Ltd. is a commitment for the Group to contribute a total of CNY 5,000 million of capital. Of this amount, CNY 3,475 million has been contributed as at 30 June 2025. The outstanding commitment of CNY 1,525 million translates to £155 million at the 30 June 2025 exchange rate.

The Group's share of capital commitments of its joint venture at 30 June 2025 is £25 million (31 March 2025: £5 million, 30 June 2024: £1 million) and contingent liabilities of its joint venture at 30 June 2025 is £6 million (31 March 2025: £7 million, 30 June 2024: £6 million).

27 Capital management

The Group's objectives when managing capital are to ensure the going concern operation of all subsidiary companies within the Group, to maintain an efficient capital structure to support ongoing and future operations of the Group and to meet shareholder expectations.

The Group issues debt, primarily in the form of bonds, to meet anticipated funding requirements and maintain sufficient liquidity. The Group also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations, are loaned internally or contributed as equity to certain subsidiaries as required. Surplus cash in subsidiaries is pooled (where practicable) and invested to satisfy security, liquidity and yield requirements.

The capital structure and funding requirements are regularly monitored by the JLR plc Board to ensure sufficient liquidity is maintained by the Group. All debt issuances and capital distributions are approved by the JLR plc Board.

The following table summarises the capital of the Group:

As at (£ millions)	30 June 2025	31 March 2025	30 June 2024
Short-term debt	1,336	1,365	1,299
Long-term debt	2,886	2,991	3,519
Total debt*	4,222	4,356	4,818
Equity attributable to shareholders	9,331	8,944	7,374
Total capital	13,553	13,300	12,192

*Total debt includes lease obligations of £671 million (31 March 2025: £671 million, 30 June 2024: £707 million).

28 Notes to the consolidated cash flow statement

Reconciliation of profit for the period to cash generated from operations

£ millions	Three months ended	
	30 June 2025	30 June 2024
Cash flows from operating activities		
Profit for the period	248	502
Adjustments for:		
Depreciation and amortisation	356	510
Loss on disposal of fixed assets and assets held for sale	4	5
Income tax expense	99	199
Finance expense (net)	40	87
Finance income	(30)	(44)
Foreign exchange on debt, derivatives and balance sheet revaluation	(80)	(32)
Unrealised gain on commodities	(19)	(59)
Share of profit of equity accounted investments	(5)	(6)
Fair value loss on equity investments	3	-
Exceptional items	4	(8)
Other non-cash adjustments	(1)	-
Realised loss on hedged commodities	3	-
Cash flows from operating activities before changes in assets and liabilities	622	1,154
Trade receivables and other assets	(181)	55
Other financial assets	6	(10)
Inventories	(145)	(193)
Accounts payable, other liabilities and retirement benefit obligation	(336)	(17)
Other financial liabilities	13	26
Provisions	27	22
Cash generated from operations	6	1,037

Reconciliation of movements of liabilities to cash flows arising from financing activities

£ millions	Borrowings	Lease obligations	Interest accrued	Total
Balance at 1 April 2025	3,685	671	66	4,422
Cash flows				
Repayment of financing	(31)	(23)	-	(54)
Interest paid	-	(13)	(49)	(62)
Non-cash movements				
Issue of new leases	-	25	-	25
Interest accrued	-	13	54	67
Other lease modification	-	5	-	5
Foreign currency translation	(21)	(7)	-	(28)
Long-term borrowings revaluation in hedge reserve	(82)	-	-	(82)
Balance at 30 June 2025	3,551	671	71	4,293
Balance at 1 April 2024	4,192	694	84	4,970
Cash flows				
Repayment of financing	(63)	(19)	-	(82)
Interest paid	-	(14)	(80)	(94)
Non-cash movements				
Issue of new leases	-	8	-	8
Interest accrued	-	14	74	88
Other lease modification	-	2	-	2
Foreign currency translation	(30)	(1)	-	(31)
Fee amortisation	2	-	-	2
Long-term borrowings revaluation in hedge reserve	6	-	-	6
Acquisition of subsidiary	4	23	-	27
Balance at 30 June 2024	4,111	707	78	4,896

Included within 'Finance expenses and fees paid' in the condensed consolidated cash flow statement for the three-month period ended 30 June 2025 is £7 million (three-month period ended 30 June 2024: £12 million) of cash interest paid relating to other assets and liabilities, and £4 million (three-month period ended 30 June 2024: £14 million) of interest relating to other financial liabilities, not included in the reconciliation above.

29 Related party transactions

Tata Sons Private Limited is a company with significant influence over the Group's ultimate parent company Tata Motors Limited. The Group's related parties therefore include Tata Sons Private Limited, subsidiaries and joint ventures of Tata Sons Private Limited and subsidiaries, joint ventures and associates of Tata Motors Limited. The Group routinely enters into transactions with its related parties in the ordinary course of business, including transactions for the sale and purchase of products with its joint ventures, and IT and consultancy services received from subsidiaries of Tata Sons Private Limited.

All transactions with related parties are conducted under normal terms of business and all amounts outstanding are unsecured and will be settled in cash. Transactions and balances with the Group's own subsidiaries are eliminated on consolidation.

The following tables summarise related party transactions and balances not eliminated in the condensed consolidated interim financial statements:

Three months ended 30 June 2025 (£ millions)	With joint ventures of the Group	With associates of the Group and their subsidiaries	With Tata Sons Private Limited and its subsidiaries and joint ventures	With immediate or ultimate parent and its subsidiaries, joint ventures and associates
Sale of products	49	30	-	42
Purchase of goods	19	38	-	92
Services received	-	-	130	88
Services rendered	-	-	1	-
Trade and other receivables	4	16	1	99
Accounts payable	9	7	42	89
Dividend paid	-	-	-	448

Three months ended 30 June 2024 (£ millions)	With joint ventures of the Group	With associates of the Group and their subsidiaries	With Tata Sons Private Limited and its subsidiaries and joint ventures	With immediate or ultimate parent and its subsidiaries, joint ventures and associates
Sale of products	68	-	-	37
Purchase of goods	13	41	-	48
Services received	-	-	99	42
Services rendered	2	-	-	-
Dividends received	2	-	-	-
Trade and other receivables	47	-	-	120
Accounts payable	4	5	65	94
Dividend paid	-	-	-	387

29 **Related party transactions (continued)**

Compensation of key management personnel

£ millions	Three months ended	
	30 June 2025	30 June 2024
Key management personnel remuneration	6	6

30 **Subsequent events**

In August 2025, the Company secured a new £1 billion loan facility, which is 80% backed by UK Export Finance (UKEF), with a tenor of seven years. Following a two-year availability period, repayment of the drawn portion is structured such that 50% is amortised over the subsequent five years, with the remaining 50% due as a final balloon payment at maturity.